

12
REVENUE
COMPARISON OF BUDGETED FISCAL YEAR 2001-2002
TO TOTAL RECOMMENDED FISCAL YEAR 2002-2003
(INCLUSIVE OF DOUBLE COUNTED EXPENDITURES)

Means of Financing & Table of Organization	As of 12-20-01 Existing Operating Budget 2001-2002	Total Recommended 2002-2003	Total Recommended Over/(Under) E.O.B.
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GRAND TOTAL DEPARTMENT OF REVENUE

General Fund	\$22,592,832	\$5,192,385	(\$17,400,447)
Interagency Transfers	\$392,729	\$283,109	(\$109,620)
Fees and Self Gen.	\$55,403,782	\$67,177,653	\$11,773,871
Statutory Dedications	\$0	\$615,735	\$615,735
Interim Emergency B.	\$0	\$0	\$0
Federal	\$322,017	\$252,000	(\$70,017)
TOTAL	\$78,711,360	\$73,520,882	(\$5,190,478)
T. O.	1,020	977	(43)

440 - Office of Revenue

> **TAX COLLECTION PROGRAM:** Comprises the entire tax collection effort of the office, which is organized into four major divisions and an Office of Legal Affairs. The Office of Management and Finance handles accounting, support services, human resources management, information services, and internal audit. Tax Administration Group I is responsible for collection, operations, personal income tax, sales tax, post processing services, and taxpayer services. Tax Administration Group II is responsible for audit review, research and technical services, excise taxes, corporation income and franchise taxes, and severance tax. Tax Administration Group III is responsible for field audit services, district offices, regional offices, and special investigations.

General Fund	\$20,666,242	\$3,120,104	(\$17,546,138)
Interagency Transfers	\$133,146	\$133,146	\$0
Fees and Self Gen.	\$49,420,631	\$61,866,983	\$12,446,352
Statutory Dedications	\$0	\$584,617	\$584,617
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$50,000	\$50,000	\$0
TOTAL	\$70,270,019	\$65,754,850	(\$4,515,169)
T. O.	883	849	(34)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Means of finance substitution - Replace \$15 million in State General Fund with Fees and Self-generated Revenues due to revenues being generated from the enactment of Act 136 of the 2001 Regular Session which allows taxpayers to be approved for tax amnesty (-\$15,000,000 State General Fund; \$15,000,000 Fees and Self-generated Revenues)

Reduce operating services for maintenance of building, utilities, dues/subscriptions, and Local Area Network (LAN) infrastructure (-\$2,201,457 State General Fund)

Total Personal Services - Funding adjustment necessary to ensure adequate funding of salaries, other compensation and related benefits, with attrition, of 849 net recommended positions. This includes a Gubernatorial reduction of 34 positions. The recommendation includes statewide adjustments for group benefits and retirement. (-\$1,683,010 State General Fund; \$24,249 Fees and Self-generated Revenues; \$584,617 Statutory Dedications; TOTAL -\$1,074,144)

Non-recurring adjustment for the Tax Reengineering Project (-\$5,704,937 Fees and Self-generated Revenues)

Non-recurring adjustment for moving expenses to the LaSalle Building (-\$666,587 Fees and Self-generated Revenues)

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	Existing Operating Budget 2001-2002			

Non-recurring Acquisitions and Major Repairs (-\$661,874 Fees and Self-generated Revenues)

Non-recurring adjustment for the Tax Delinquency Amnesty Act for adverting expenses (-\$180,000 Fees and Self-generated Revenues)

Rent in State-Owned Buildings (\$1,357,106 State General Fund; \$598,625 Fees and Self-generated Revenues; TOTAL \$1,955,731)

Funding provided for Information Technology equipment - Kiosks, scanner, and character recognition software update (\$1,754,029 Fees and Self-generated Revenues)

Funding provided for rent expense for the Baton Rouge Regional office located at 12 United Plaza (\$241,318 Fees and Self-generated Revenues)

Funding provided for capitol security (\$177,498 Fees and Self-generated Revenues)

A supplementary recommendation of \$598,858 all of which is General Fund is included in the Total Recommendation for this program. It represents funding for operating services -advertisement of vacant positions, rental of copiers, pagers/mobile phones, mail machine, postage, use of temporary employment agencies, payable out of revenues generated by the renewal of the suspension of the exemption of the 1% sales tax.

OBJECTIVE: Increase the percentage of tax returns filed electronically by 2%.

PERFORMANCE INDICATOR:

Percentage of tax returns filed electronically

14%	16%	2%
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OBJECTIVE: Increase the average tax return processing time to 9.5 business days.

PERFORMANCE INDICATOR:

Average tax return processing time (in days)

7.0	9.5	2.5
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OBJECTIVE: Decrease the percentage of taxpayer correspondence answered within 30 days of receipt to 58%.

PERFORMANCE INDICATOR:

Percentage of taxpayer correspondence answered within 30 days of receipt

80%	58%	-22%
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OBJECTIVE: Decrease the percentage of department operational objectives achieved to 20%.

PERFORMANCE INDICATOR:

Percentage of department operational objectives achieved

100%	20%	-80%
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Means of Financing & Table of Organization	As of 12-20-01		
	Existing	Total	Total
	Operating	Recommended	Recommended
	Budget 2001-2002	Budget 2002-2003	Over/(Under) E.O.B.

OBJECTIVE: Increase the percentage of total revenue collected for business taxes that is deposited electronically by 2%.

PERFORMANCE INDICATOR:

Percentage of total revenue collected for business taxes that is deposited electronically

66%	68%	2%
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OBJECTIVE: Increase the percentage of total revenue collected for individual taxes that is deposited electronically to 1.5%.

PERFORMANCE INDICATOR:

Percentage of total revenue collected for individual taxes that is deposited electronically

0%	1.5%	1.5%
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OBJECTIVE: Decrease the percentage of total revenue collected that is deposited within 24 hours.

PERFORMANCE INDICATOR:

Percentage of total revenue collected that is deposited within 24 hours

71.5%	69.0%	-2.5%
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OBJECTIVE: Decrease the percentage of all business accounts audited to 38% through 2003.

PERFORMANCE INDICATOR:

Percentage of all business accounts audited

0.40%	0.38%	-0.02%
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> **ALCOHOL AND TOBACCO PROGRAM:** Regulates the alcoholic beverage and tobacco industries in the state; licenses alcoholic beverage manufacturers, native wineries, retailers, and wholesalers as well as retail and wholesale tobacco product dealers and enforces state alcoholic beverage and tobacco laws.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$259,583	\$149,963	(\$109,620)
Fees and Self Gen.	\$4,342,251	\$3,813,540	(\$528,711)
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$272,017	\$202,000	(\$70,017)
TOTAL	\$4,873,851	\$4,165,503	(\$708,348)
T. O.	81	75	(6)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Non-recurring carry forward for the statewide information repository for underage drinkers (-\$109,620 Interagency Transfers; -\$41,279 Fees and Self-generated Revenues; -\$70,071 Federal Funds; TOTAL -\$220,916)

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	Existing Operating Budget 2001-2002	Total Recommended 2002-2003	

Non-recurring adjustment for compliance checks to enforce underage tobacco sale laws in FY 2002 (-\$384,719 Fees and Self-generated Revenues)

Total Personal Services - Funding adjustment necessary to ensure adequate funding of salaries, other compensation and related benefits, with attrition, of 75 net recommended positions. This includes a Gubernatorial reduction of 6 positions. The recommendation also includes statewide adjustments for group benefits and retirement. (-\$140,119 Fees and Self-generated Revenues)

Net Acquisitions and Major Repairs (-\$86,055 Fees and Self-generated Revenues)

Funding provided for maintenance of automobiles (\$77,827 Fees and Self-generated Revenues)

Funding provided for rent expense located at 12 United Plaza (\$42,836 Fees and Self-generated Revenues)

OBJECTIVE: Increase the average time required for taxpayers to receive alcohol and tobacco permits by 3% to improve taxpayer services by 2003.

PERFORMANCE INDICATORS:

Average time for taxpayers to receive alcohol and tobacco permits (in days)

Total number of tobacco permits processed

Number of tobacco permit renewals processed

Total number of alcohol permits processed

Number of new Class A & B permits issued

Number of new special events permits issued

Number of alcohol permit renewals processed

Number of tobacco permits issued

Number of alcohol permit applications denied

Number of tobacco permit applications denied

20	23	3
15,000	13,000	(2,000)
14,000	11,000	(3,000)
30,000	30,000	0
4,000	4,000	0
2,000	1,500	(500)
21,000	21,000	0
14,200	13,000	(1,200)
150	150	0
75	75	0

OBJECTIVE: Reduce the rate of compliance violations to below 19% by 2003.

PERFORMANCE INDICATORS:

Alcohol noncompliance rate

Tobacco noncompliance rate

Total number of compliance checks

Total number of inspections conducted

10%	22%	12%
7%	10%	3%
11,000	5,000	(6,000)
21,000	20,000	(1,000)

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> **OFFICE OF CHARITABLE GAMING:** Licenses, educates, and monitors organizations conducting legalized gaming as a fund-raising mechanism; provides for the licensing of commercial lessors and related matters regarding electronic video bingo and progressive mega-jackpot bingo.

General Fund	\$47,931	\$43,088	(\$4,843)
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$1,079,987	\$1,017,130	(\$62,857)
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$1,127,918	\$1,060,218	(\$67,700)
T. O.	20	18	(2)

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Total Personal Services - Funding adjustment necessary to ensure adequate funding of salaries, other compensation and related benefits, with attrition, of 18 net recommended positions. This includes a Gubernatorial reduction of 2 positions. The recommendation also includes statewide adjustments for group benefits and retirement. (-\$10,581 State General Fund; -\$64,849 Fees and Self-generated Revenues; TOTAL -\$75,430)

Funding provided for legal service fees to the Department of Justice (\$3,986 State General Fund)

Funding provided for rent expense (\$1,992 Fees and Self-generated Revenues)

OBJECTIVE: Decrease the number of inspections conducted by 5% per year through 2003.

PERFORMANCE INDICATOR:
Number of inspections conducted

190	185	(5)
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OBJECTIVE: Reduce the number of investigations conducted by 5% per year through 2003.

PERFORMANCE INDICATOR:
Number of investigations conducted

75	70	(5)
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OBJECTIVE: Reduce the number of audits conducted by 5% per year through 2003.

PERFORMANCE INDICATOR:
Number of audits conducted

68	63	(5)
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OBJECTIVE: Decrease the number of training sessions provided by 2% per year through 2003.

PERFORMANCE INDICATOR:
Number of training sessions provided

40	38	(2)
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OBJECTIVE: Reduce the number of licenses involved in charitable gaming that contain a history of criminal elements.

PERFORMANCE INDICATOR:
Number of licensees

1,050	1,000	(50)
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TOTAL OFFICE OF REVENUE

General Fund	\$20,714,173	\$3,163,192	(\$17,550,981)
Interagency Transfers	\$392,729	\$283,109	(\$109,620)
Fees and Self Gen.	\$54,842,869	\$66,697,653	\$11,854,784
Statutory Dedications	\$0	\$584,617	\$584,617
Interim Emergency B.	\$0	\$0	\$0
Federal	\$322,017	\$252,000	(\$70,017)
TOTAL	\$76,271,788	\$70,980,571	(\$5,291,217)
T. O.	984	942	(42)

441 - Louisiana Tax Commission

> **PROPERTY/TAXATION REGULATORY OVERSIGHT PROGRAM:** Reviews and certifies the various parish assessment rolls, and acts as an appellate body for appeals by assessors, taxpayers, and tax recipient bodies after actions by parish review boards; provides guidelines for assessment of movable property and reviews appraisal or assessments and where necessary modifies (or orders reassessment) to ensure uniformity and fairness. Assesses all public service property, as well as valuation of stock values for banks and insurance companies, and provides assistance to assessors.

General Fund	\$1,878,659	\$2,029,193	\$150,534
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$510,913	\$430,000	(\$80,913)
Statutory Dedications	\$0	\$31,118	\$31,118
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,389,572	\$2,490,311	\$100,739
T. O.	36	35	(1)

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	Existing Operating Budget 2001-2002			

MAJOR CHANGES FROM EXISTING OPERATING BUDGET

Total Personal Services - Funding adjustment necessary to ensure adequate funding of salaries, other compensation and related benefits, with attrition, of 35 net recommended positions. This includes a Gubernatorial reduction of 1 position. The recommendation also includes statewide adjustments for group benefits and retirement. (-\$43,990 State General Fund; \$31,118 Statutory Dedications ; TOTAL -\$12,872)

Non-recurring Acquisitions and Major Repairs (-\$23,990 State General Fund)

Reduce operating expenditures to actual projected revenue collections for FY 2003 (-\$80,913 Fees and Self-generated Revenues)

Funding provided for professional legal services contracts for continuous of court cases with pipeline companies (\$144,517 State General Fund)

Funding provided for computer maintenance (\$18,419 State General Fund)

OBJECTIVE: To hear 100% of all protest hearings within the tax year in which the protest was filed.

PERFORMANCE INDICATOR:

Percentage of protest hearings completed within the tax year in which the protest was filed

100%	100%	0%
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OBJECTIVE: To conduct all bank and insurance company assessments, public utility company appraisals and assessments, and tax roll certification activities necessary to support local tax collection.

PERFORMANCE INDICATORS:

Percentage of banks and insurance companies assessed

Percentage of tax rolls certified before November 15th each year

Percentage of public utility companies appraised and assessed

100%	100%	0%
100%	100%	0%
100%	100%	0%

OBJECTIVE: To conduct appraisals throughout the state to assist local assessors.

PERFORMANCE INDICATOR:

Total number of property appraisals conducted

6,000	6,100	100
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> **SUPERVISION AND ASSISTANCE TO LOCAL ASSESSORS PROGRAM:** Responsible for providing computer assistance to parish assessors to improve productivity through use of electronic filing and communication with the Louisiana Tax Commission.

General Fund	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$50,000	\$50,000	\$0
Statutory Dedications	\$0	\$0	\$0
Interim Emergency Bd.	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$50,000	\$50,000	\$0
T. O.	0	0	0

OBJECTIVE: To implement the electronic filing of tax documents that parish assessors must file with the Louisiana Tax Commission by establishing electronic links between the commission and at least 50% of parish assessors.

PERFORMANCE INDICATORS:

Number of assessors linked electronically

Number of assessors filing tax rolls electronically

Number of assessors filing change orders electronically

32	40	8
32	40	8
35	37	2

TOTAL LOUISIANA TAX COMMISSION

General Fund	\$1,878,659	\$2,029,193	\$150,534
Interagency Transfers	\$0	\$0	\$0
Fees and Self Gen.	\$560,913	\$480,000	(\$80,913)
Statutory Dedications	\$0	\$31,118	\$31,118
Interim Emergency B	\$0	\$0	\$0
Federal	\$0	\$0	\$0
TOTAL	\$2,439,572	\$2,540,311	\$100,739
T. O.	36	35	(1)